

411 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-4497
414/277-5000
FAX 414/271-3552
<http://www.quarles.com>

Attorneys at Law in
Milwaukee and Madison, Wisconsin
West Palm Beach and Naples, Florida
Phoenix, Arizona



Direct Dial: (414) 277-5829
Email: rschneider@quarles.com

CAROLE
CC: LESUE P.

October 25, 1999

Richard Caspe, Director
Emergency & Remedial Response Division
U.S. Environmental Protection Agency
Region II
290 Broadway, 19th Floor
New York, NY 10007-1866

Ronald Gherardi, Chief
Financial Management Branch
Office of Policy & Management
U.S. Environmental Protection Agency
Region II
290 Broadway, 29th Floor
New York, NY 10007-1866

Janet MacGillivray, Esq.
Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency
Region II
290 Broadway, 17th Floor
New York, NY 10007-1866

U.S. EPA, REGION II
EMER. & REM. RES. DIV.
1999 OCT 28 AM 11:46
DIRECTOR'S OFFICE

**Re: NL Industries Superfund Site, Pedricktown, NJ
Recovery of Costs Pursuant to Administrative Order
Index No. II CERCLA 96-0108**

Dear Mr. Caspe, Mr. Gherardi and Ms. MacGillivray:

The purpose of this letter is to inform you that on October 22, 1999, an electronic funds transfer was made in payment of Bill for Collection No. 022999T098 for the above-referenced site. Specifically, \$129,976.53 for Site ID #0261 was sent via EFT to EPA's account at Mellon Bank (Routing No. 043000261, Account No. 9108544).

While the signatories to the administrative order are paying this oversight costs bill in full, we take this opportunity to comment on our concern that EPA oversight costs appear excessive at this and many other sites. We note that during a time period in which the PRP Group expended approximately \$400,000 performing remedial activities at the site, EPA's oversight costs were almost one-third of that. Additionally, it is impossible from the voucher documentation and oversight cost summaries provided to understand what services are actually being performed by the contractors with respect to the specific site.

QBMKE\4447939.1

233676



Richard Caspe, Director
Ronald Gherardi, Chief
Janet MacGillivray, Esq.
October 25, 1999
Page 2

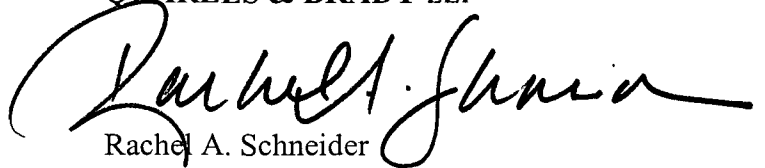
At some point there should be a dialogue between EPA and PRP groups generally regarding EPA's oversight costs. We all need incentives so that cleanup is performed expeditiously and economically.

If you have any questions, please do not hesitate to contact me. My name and address is:

Rachel A. Schneider
Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202-4497

Very truly yours,

QUARLES & BRADY LLP



Rachel A. Schneider

RAS:lag

cc: Dennis Reis
Pam Cissik
Pam Reich
Seth v.d.H. Cooley
Mark Latham
Ari Levine